

# **Exhibit 2**

**In the Matter Of:**

*UNITED STATES vs*

*UNITED STATES SUGAR CORP*

---

*MARK OLSON*

*February 10, 2022*

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1 UNITED STATES DISTRICT COURT  
2 FOR THE DISTRICT OF DELAWARE  
3  
4 UNITED STATES OF AMERICA, )  
5 )  
6 Plaintiff, )  
7 )  
8 -vs- ) Civil Action No.  
9 ) 21-cv-1644 (MN)  
10 UNITED STATES SUGAR )  
11 CORPORATION, et al., )  
12 )  
13 Defendants. )  
14 )  
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11 CONFIDENTIAL

12 PURSUANT TO PROTECTIVE ORDER

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14  
15 VIDEO RECORDED EXAMINATION OF

16 MARK OLSON  
17

18 TAKEN ON

19 THURSDAY, FEBRUARY 10, 2022  
20  
21  
22

23 CERTIFIED STENOGRAPHER:

24 JESSIE WAACK, RDR, CRR, CCRR, NYRCR, NYACR,  
25 CCR-NJ (No. 30XI008238700), CSR-TX (No. 11958)  
CCR-WA (No. 21007264), CSR-CA (No. 14420),  
REALTIME SYSTEMS ADMINISTRATOR  
JOB NO.: 830470

27

A. Yeah.

[REDACTED]

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[REDACTED]

Q. In your role as a trader, a buyer of raw sugar, sir, is it important for you to have a general understanding which companies in the U.S. are refining raw sugar into refined sugar?

A. Yes.

Q. And to what extent does your job at ASR involve monitoring the raw sugar purchases and usage by other sugar refiners in the United States?

A. I do my best to monitor what everybody's doing, and they do their best to monitor what I'm doing.

Q. Are you familiar with the sugar refiner Imperial Sugar?

A. I am.

Q. What's your understanding of where Imperial operates a refinery?

A. I visited it. It's in Georgia. Savannah, Georgia.

Q. Do you sell raw sugar to Imperial from time to time?

A. Yep.

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1 let's break that down a little bit.

2 First of all, what's the  
3 executive committee at ASR?

4 A. It's a group of senior executives  
5 that manage our business.

6 Q. And do you participate in the  
7 executive committee meetings?

8 A. I do.

9 Q. And so this executive committee  
10 comprised of the most senior executives who  
11 run ASR's business?

12 A. Yes, sir.

13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]  
22 [REDACTED]  
23 [REDACTED]  
24 [REDACTED]  
25 [REDACTED]

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1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]

17 Q. Fair enough.

18 This document is dated July 20,  
19 2021. I think I know the document that  
20 you're talking about, because you  
21 referenced, I think you thought it had  
22 something to do with why we're here today.

23 There's another document that  
24 refers to U.S. Sugar's acquisition of  
25 Imperial, and we'll get to that in a bit.

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1 second bullet point under  
2 "Commercial/Competitive" says, quote,  
3 "Imperial facing tight supply since  
4 January: we believe that they'll pay tier 2  
5 for their September supply and have assumed  
6 approximately 100,000 short tons raw  
7 value."

8 Do you see that?

9 A. Yes, sir.

10 Q. What does that mean, sir?

11 A. That means that based on my  
12 competitive or our competitive data  
13 gathering and using basically  
14 publicly-sourced data, we believed that our  
15 competition in Savannah, Georgia, was  
16 buying short sugar in the center south of  
17 Brazil, south, down south, and was  
18 intending to pay the full 15.36 duty on  
19 that supply.

20 Q. So they were going to be paying  
21 the tier 2 prices that you referred to  
22 earlier?

23 A. Yes, sir.

24 [REDACTED]

25 [REDACTED]



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1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 Q. Does ASR like to pay tier 2  
10 tariffs when it imports sugar?

11 MR. NIERLICH: Objection to form.

12 THE WITNESS: Sir, nobody -- sir,  
13 nobody likes to pay tier 2.

14 BY MR. YATES:

15 Q. Why is that, sir?

16 A. It's \$300 a ton.

17 Q. That inflates ASR's costs,  
18 correct?

19 A. That's correct.

20 Q. What does it mean for Imperial to  
21 be facing tight supply?

22 MR. NIERLICH: Objection to form.

23 THE WITNESS: The same as we --

24 BY MR. YATES:

25 Q. Well, what does that mean to --

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1 Q. Just so if there was any  
2 confusion on that. Which -- and I  
3 understand there are a lot of lawyers on  
4 the screen.

5 A. There are a lot of lawyers here.

6 Q. But if you would go to Slide 32,  
7 sir.

8 A. Okay. I'm at Slide 32.

9 Q. Okay. Do you see -- this is --  
10 this is a slide which says, "U.S. Cane  
11 Refiner Analysis."

12 Do you see that?

13 A. Yes, sir.

14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]  
22 [REDACTED]  
23 [REDACTED]  
24 [REDACTED]  
25 [REDACTED]

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Q. And stated in hundredweights,  
that would be nearly 30 million  
hundredweights; is that correct?

A. Yes. I'm not good at  
hundredweights, but, yes.

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Q. Do you have an understanding, sir, from your work at ASR and from efforts like those reflected in Exhibit 2, a sort of whiteboard what competitors are doing, do you have an understanding of where CSC has refinery operations?

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MR. NIERLICH: Objection to form.

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BY MR. YATES:

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Q. Are you aware of a recent CSC expansion into a facility in the state of Virginia, sir?

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A. Yes, sir.

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Q. And are you aware that they have a facility in Tennessee?

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A. I'm aware of that.

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1 BY MR. YATES:

2 Q. Just for the record, Exhibit 5 is  
3 a document produced by ASR, a PowerPoint  
4 presentation with a title, "Strategic  
5 Brainstorming. How to Strengthen Our  
6 Competitiveness in the U.S. Market.  
7 May 2001."

8 Do you see that, Mr. Olson?

9 A. I do.

10 Q. Okay. Have you seen this  
11 document before, sir?

12 A. Yes, sir.

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 Q. So Exhibit 5 was prepared for  
19 ASR's executive committee to evaluate the  
20 competitive pressures that ASR was facing  
21 in or about May of 2021; is that fair?

22 A. Yeah. That was probably just a  
23 more general executive committee --  
24 committee presentation. This one is more  
25 directed at -- this particular one is more

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1 A. Correct.

2 Q. Okay. The next slide, U.S. --

3 A. A lot of times they come in --  
4 it's just a curio, but they come in rail  
5 barges where they roll a railcar onto the  
6 barge and they ship it across and then they  
7 roll it off in, say, in Mobile, Alabama.

8 Q. Got it. Thank you for that  
9 clarification.

10 The next slide, I think it's the  
11 slide with a No. 4. It says, "U.S. Mexican  
12 imports by entry point."

13 Do you see that?

14 A. Yes.

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

112

1 [REDACTED]  
2 Q. And a small bubble in Norfolk,  
3 Virginia?

4 A. Yeah.

5 Q. And bubbles it looks like up in  
6 the Great Lakes as well?

7 A. Yep.

8 Q. So in the eastern half of the  
9 country, it looks like there are direct  
10 consumption imports from Mexico into  
11 Alabama, Louisiana, Florida, Maryland,  
12 Virginia; is that right?

13 A. Yep.

14 Q. And there are also direct  
15 consumption imports into Texas; is that  
16 right?

17 A. That's where it crosses the  
18 border. It can go anywhere in the United  
19 States.

20 Q. And they're direct --

21 A. Those are rail -- those are rails  
22 and trucks.

23 Q. That could go anywhere in the  
24 United States?

25 A. Anywhere.

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Q. Do you speak with Mr. Jenkins in  
any way related to your work for ASR?

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A. Yes.

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Q. And what is that?

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A. We brokered -- he brokers raw  
sugar -- buys and sells raw sugar, and he  
manages futures.

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Q. And 2,500 --

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A. It's been as high as three --

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short tons of sugar a day. It's been as

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high as 3,250. But in April of 2021, we

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had a fire at -- in Baltimore, and we can

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only melt what we can warehouse, and our

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warehouse is only 2,500 tons.

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Q. What's the capacity at Yonkers?

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A. 2,100 tons.

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Q. Is Yonkers also running at

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100 percent utilization?

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A. Not quite, not quite. At

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present, it's close to, but it hasn't

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been -- it did not last month, for example.

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It ran at a five and two base. That's five

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1 Q. And what about the South Bay  
2 facility? Do you have any information  
3 about the capacity or utilization at that  
4 facility?

5 A. I don't. I don't.

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 Q. What do you mean by that?

13 A. They've been operating  
14 inefficiently for a couple of years because  
15 of various challenges we've had. Fires,  
16 we've had a couple of fires.

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

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Q. Which of -- if any, of ASR's refineries use domestic raw sugar?

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A. Chalmette, the refinery in the Gulf is 100 percent domestic. Usually if there were a shortfall, a large shortfall in Louisiana crop, they might get Mexican sugar or Florida sugars. But primarily they take domestic supply there.

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And then Yonkers is not -- not all, but a very high percentage of domestic supply.

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Q. What about Baltimore?

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A. It's mostly -- it's the other way around. It's mostly foreign supply. My math is going to be wrong, but maybe 80/20 domestic Yonkers, 20/80 Baltimore.

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Q. Where does the domestic raw sugar used in Yonkers come from?

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1 A. Florida.

2 Q. Why is it that domestic raw sugar  
3 from Florida would be sent by ASR to  
4 Yonkers instead of Baltimore?

5 A. There are unique characteristics  
6 in Yonkers on how they treat and produce  
7 some of their products that is advantageous  
8 for them to have the higher quality Florida  
9 raw sugar.

10 Q. In what way is the raw sugar from  
11 Florida higher quality than the imported  
12 raw sugar that ASR obtains?

13 A. It comes in at a higher -- it's  
14 produced at a higher purity, and it -- and  
15 it's a -- it's a large amount, and it's  
16 consistent.

17 Q. Consistent with higher impurity  
18 or some other --

19 A. They have -- yes. So, yeah,  
20 it's -- it's, you know, there's an  
21 advantage to having a large amount of  
22 supply that's homogenous.

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

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Q. Does ASR buy raw sugar from LSR?

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A. Not from LSR. I'll buy refined sugar from LSR. LSR is the refinery, and LSCPI are the group of mills.

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Q. Do you know, was there a circumstance in which ASR obtained the commitment by LSR to provide all of the their residual sugar to ASR in 2021?

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A. The answer is that it was a request, and I think it actually played out that eventually it was. But -- no, that's not true.

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We tried to buy all of what they had, but they still sold sugar to our competition, CSC, I think.

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MR. NIERLICH: I think we'll mark the next document as Exhibit 12. I want to make sure we stay in order.

161

1 Q. Yes.

2 A. Is that correct?

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

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Q. In the third paragraph, you'll see it says, "Imperial bid us \$29.50 plus 1/3 of the freight cost to Georgia."

Do you see that?

A. Yes, sir.

Q. In what way was Imperial bidding? What does that refer to?

A. That refers to -- that's just a bid for that sugar, and they offered to pay us \$29.50, and I don't know what the market was at that time, but I assume it was \$29.50.

And then they offered to pay 1/3

163

1 of the freight costs to Georgia and they  
2 were asking us to absorb a third of the  
3 freight cost to Georgia and LSR to discount  
4 their sugar by that -- a third of the  
5 freight cost.

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 Q. Do you know what happened with  
13 this?

14 A. I think the market eventually  
15 went up to \$30.50 or \$30.75 or \$0.31. And  
16 the sugar got put in a barge and shipped to  
17 Imperial -- Imperial, Savannah, Georgia.  
18 They got the sugar eventually.

19 Q. At the top of the next page --

20 A. And I don't know exactly how many  
21 of those we did, but we did at least two,  
22 and maybe we did three or four. I just  
23 can't remember.

24 Q. I'm sorry. Is that you did at  
25 least three or four where you purchased raw



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1 sugar from LSR and in turn sold it to  
2 Imperial, or do you mean something else?

3 A. Yes, that's what I mean.

4 Q. And you say that three or four.  
5 Was that all within this early 2021 time  
6 frame, or at a different point in time?

7 A. Yeah. I want to say they were  
8 basically one every two months or one every  
9 month and a half, something like that.

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 Do you see that?

17 A. Yes, sir.

18 Q. IMP refers to Imperial, right?

19 A. That's correct.

20 Q. What does it mean to swap sugar  
21 with CSC as described in this email?

22 A. Instead of selling that  
23 particular batch of sugar to Imperial, I,  
24 in turn, sold it to CSC, and CSC gave me  
25 sugar on the West Coast of the United

173

1 excess cane currently is refined at the  
2 South Bay refinery?

3 A. Yeah, I believe some is. I  
4 wouldn't be able to characterize how much.

5 Q. Do you have any estimation?

6 A. No.

7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]  
22 [REDACTED]  
23 [REDACTED]

24 Q. When you purchase domestic raw  
25 sugar on behalf of ASR, how is the freight

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1 destination. It's a delivered contract.

2 So if I buy one contract of the futures

3 market, it's called the No. 16 market. And

4 I use that term loosely so you can

5 interrupt me from time to time when I use

6 that.

7 But when I buy one mod of 16

8 futures, I'm taking the right to take

9 delivery of 50 tons of sugar either in New

10 Orleans or Savannah, Georgia or Baltimore,

11 Maryland or Yonkers, New York.

12 Q. And that is entirely your

13 election as to which location the boat with

14 the raw sugar that you purchased goes?

15 A. It's at the buyer's election,

16 yeah. So if I sold to -- if I sold to

17 No. 16, whoever I sold to could tell me

18 where to deliver that contract. And I do

19 about half of each. I -- half -- I buy as

20 much as I sell.

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 Q. How much storage capacity does

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1 A. Yes, sir.

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 Q. Is there a threshold below which  
24 you do not require approval from  
25 Mr. Contreras and Mr. Fernandez before

182

1 executing a raw sugar purchase or sale?

2 A. We don't have limits. We don't  
3 have limits. So if I see a good deal, I  
4 could be trusted to buy it if it's time  
5 sensitive.

6 But there are no limits in -- and  
7 honestly -- honestly speaking -- this is  
8 all honest -- everything can get turned  
9 around really quickly with emails.

10 Q. Is it normal practice --

11 (Simultaneous unreportable  
12 crosstalk occurs among parties.)

13 (Stenographer asks for  
14 clarification.)

15 THE WITNESS: I said, they know  
16 what I'm doing.

17 BY MR. NIERLICH:

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 MR. NIERLICH: William, please  
24 upload Exhibit 14.

25 ///

183

1 (Whereupon, Exhibit 14 is marked  
2 for identification.)

3 BY MR. NIERLICH:

4 [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]

21 Q. Is there a reason that you  
22 remember this trade?

23 A. I bought refined sugar and I put  
24 it in a raw sugar silo and I used it for  
25 raw sugar. And I entered it against the

190

1 MR. NIERLICH: I'll ask William  
2 to upload another document.

3 Mr. Olson, I'll ask the court  
4 reporter to mark as Exhibit 15, a  
5 document that starts with document  
6 control No. FCC-00038581.

7 And please let me know when  
8 you've received that.

9 (Whereupon, Exhibit 15 is marked  
10 for identification.)

11 BY MR. NIERLICH:

12 Q. Mr. Olson, do you have  
13 Exhibit 15?

14 A. Yeah, I'm reading it, sir.  
15 Sorry.

16 Q. No worries.

17 (Pause for reading/reviewing.)

18 A. Okay. I'm ready.

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

191

- 1 [REDACTED]
- 2 [REDACTED]
- 3 [REDACTED]
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- 5 [REDACTED]
- 6 [REDACTED]
- 7 [REDACTED]
- 8 [REDACTED]
- 9 [REDACTED]
- 10 [REDACTED]
- 11 [REDACTED]
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- 19 [REDACTED]
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- 24 [REDACTED]
- 25 [REDACTED]



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- 24 [REDACTED]
- 25 [REDACTED]

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Q. All right. Mr. Olson, I would like you to refer back to Exhibit 2 marked earlier today. And that will be in the online window that you used earlier today.

A. Okay.

Q. 0002 Tab 5 is how it appears there.

A. I'm not as wonderful on this Zoom

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[REDACTED]

[REDACTED]

Q. All right. If you can refer further down to the email that you sent --

A. You know --

Q. Sorry.

A. I could speculate. Do you want me to speculate?

Q. I do not want you to speculate. If you have a reasonable estimate, we'd like to hear that, but I don't want you to speculate.

A. Thanks. I'm not going to speculate.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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Q. And why would that be something that would be a message to USDA?

A. Because there were stories in the market that there were -- there were trapped sugars in Louisiana, which Louisiana producers did not like.

They didn't like the idea that the sugar that they produced is somehow trapped. It was available, but just at a

198

1 price. So we offered it to Imperial at the  
2 market price plus freight.

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 Q. What does that mean, "arrival  
18 math"?

19 A. Well, I don't know what capacity  
20 Imperial has. I can just guess at it. And  
21 the way I guess at it is I watch what raw  
22 sugar goes to Savannah, Georgia, and I  
23 watch that every month.

24 And then I add it up at the end  
25 of the year. And then I take a guess about

200

1 ability. They take sugar in big boats and  
2 barges now.

3 Q. Do you know what portion of  
4 Imperial's raw sugar for Savannah is  
5 sourced through ASR now?

6 MR. YATES: Objection.

7 THE WITNESS: No.

8 BY MR. NIERLICH:

9 Q. Do you know what portion of  
10 Imperial's raw sugar for Savannah was  
11 sourced through ASR over the last year?

12 A. No. No.

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

201

- 1 [REDACTED]
- 2 [REDACTED]
- 3 [REDACTED]
- 4 [REDACTED]
- 5 [REDACTED]
- 6 [REDACTED]
- 7 [REDACTED]
- 8 [REDACTED]
- 9 [REDACTED]
- 10 [REDACTED]
- 11 [REDACTED]
- 12 [REDACTED]
- 13 [REDACTED]
- 14 [REDACTED]
- 15 [REDACTED]
- 16 [REDACTED]
- 17 [REDACTED]
- 18 [REDACTED]
- 19 [REDACTED]
- 20 [REDACTED]
- 21 [REDACTED]
- 22 [REDACTED]
- 23 [REDACTED]
- 24 [REDACTED]
- 25 [REDACTED]

202

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MR. YATES: Objection to form.

6

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17

BY MR. NIERLICH:

18

19

Q. Does ASR purchase refined sugar  
from outside the United States?

20

21

22

23

24

25

A. You showed me one example where I  
did, and I put it into my silo in Crockett.  
So the answer is yes. During the beet  
sugar force majeure, I imported Canadian  
refined from my Red Path refinery.

And I imported European -- not



220

1 Including an improper hypothetical.

2 Sorry. Go ahead.

3 MR. PETKOSKI: You can answer the  
4 question.

5 THE WITNESS: Could you repeat  
6 the question, Chip?

7 BY MR. NIERLICH:

8 Q. Yeah, could you read the question  
9 back, please.

10 THE STENOGRAPHER: One moment.

11 (The following question was read  
12 back:

13 "QUESTION: If U.S. Sugar uses  
14 its raw sugar in Savannah, will  
15 ASR be selling raw sugar to  
16 someone else?")

17 MR. YATES: Objection to form.

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 BY MR. NIERLICH:

24 [REDACTED]

25 [REDACTED]

221

1

[REDACTED]

2

[REDACTED]

3

MR. YATES: Objection to form.

4

[REDACTED]

5

[REDACTED]

6

[REDACTED]

7

[REDACTED]

8

[REDACTED]

9

[REDACTED]

10

[REDACTED]

11

[REDACTED]

12

MR. YATES: Object to form.

13

[REDACTED]

14

[REDACTED]

15

[REDACTED]

16

[REDACTED]

17

MR. NIERLICH: William, can you

18

put Exhibit 1 back in the chat for

19

reference.

20

THE WITNESS: I don't see it

21

guys. Sorry. Hold on.

22

BY MR. NIERLICH:

23

Q. Okay. Have you received it now?

24

A. 001 Tab 1 FCC.

25

Q. Yes. Mr. Olson --

222

1 A. Yes. Yes.

2 Q. -- you were asked a few questions  
3 about Exhibit 1 earlier, I wanted to ask  
4 you a few additional questions.

5 If you could turn to the third  
6 page, please.

7 A. I'm on the third page, sir.

8 Q. At the bottom of the page next to  
9 "Regulatory/Corporate," it says, "We  
10 continue to respond to DOJ inquiries  
11 related to the Imperial deal."

12 Do you see that?

13 A. Yes, sir.

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 Q. What do you mean by that?

20 MR. YATES: Object to form.

21 THE WITNESS: I just -- it's a --  
22 speculation on my part. I don't know.

23 BY MR. NIERLICH:

24 [REDACTED]

25 [REDACTED]

223

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2

MR. YATES: Objection to form.

3

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8

MR. YATES: Objection to form.

9

10

BY MR. NIERLICH:

11

Q. If you could turn to page 12,

12

please, of this Exhibit 1.

13

You see on the right side under

14

"Highlights," third bullet says,

15

"Implementing price increases where

16

possible to neutralize rising raw costs."

17

Do you see that?

18

A. Yes, sir.

19

MR. PETKOSKI: Chip, can you tell

20

me where you are again?

21

THE WITNESS: 12.

22

MR. NIERLICH: Slide 12, right

23

side, third bullet.

24

MR. PETKOSKI: Thanks.

25

THE WITNESS: Yes, I see that.

224

1 BY MR. NIERLICH:

2 Q. Are you familiar with whether ASR  
3 considers pricing by competitors in  
4 determining whether to implement a price  
5 increase as described here?

6 MR. YATES: Object to form.

7 THE WITNESS: I think all  
8 businesses try to understand what their  
9 competitors are doing. But as it  
10 relates to that bullet, it's -- looks  
11 like it's -- I didn't write that  
12 bullet. It looks like it's meant --  
13 it's intended to offset supply chain  
14 costs where you can. It's happening  
15 everywhere.

16 BY MR. NIERLICH:

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

225

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13 Q. So referring back to Slide 17, do  
14 you have any understanding of what the  
15 traditional sugar product family is?

16 A. No.

17 Q. Have you ever seen that in your  
18 work at ASR other than in this document?

19 A. No.

20 Q. If you refer to slide 20, please.  
21 Middle section, "Competition & Pricing."

22 A. Okay.

23 Q. First bullet "50s." Is that  
24 50-pound bags?

25 A. I think so.

227

- 1 [REDACTED]
- 2 [REDACTED]
- 3 [REDACTED]
- 4 [REDACTED]
- 5 [REDACTED]
- 6 [REDACTED]
- 7 [REDACTED]
- 8 [REDACTED]
- 9 [REDACTED]
- 10 [REDACTED]
- 11 [REDACTED]
- 12 [REDACTED]
- 13 [REDACTED]
- 14 [REDACTED]
- 15 [REDACTED]
- 16 [REDACTED]
- 17 [REDACTED]
- 18 [REDACTED]
- 19 [REDACTED]
- 20 [REDACTED]

21 Q. If you can turn to Slide 57,  
22 please. And we'll refer to the fourth  
23 bullet, "Freight costs continue to be a  
24 major challenge."

25 Do you see that?

228

1 A. I do.

2 Q. Do freight costs give ASR a  
3 competitive advantage in some way?

4 MR. YATES: Objection to form.

5 THE WITNESS: Not my specialty.

6 I buy raw boats for factories. I don't  
7 move railcars or trucks.

8 BY MR. NIERLICH:

9 Q. In the fourth bullet, the last  
10 sentence describes the freight costs shown.  
11 It says, "This should improve our  
12 competitive position here in the  
13 Northeast."

14 Do you see that?

15 A. I see that.

16 Q. Do you have any understanding of  
17 what that means?

18 A. I do not.

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]



229

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MR. YATES: Object to form.

7

8

9

10 BY MR. NIERLICH:

11

Q. Okay.

12

A. But I tried to make my stuff

13

accurate.

14

Q. And by your stuff, you're

15

referring to the "U.S. Market Overview and

16

GSG Activity" section of Exhibit 1, right?

17

A. That's correct, sir.

18

MR. NIERLICH: William, can you

19

put Exhibit 4 in the chat for

20

reference.

21

BY MR. NIERLICH:

22

Q. Mr. Olson, do you have Exhibit 4

23

in front of you again?

24

A. I do.

25

Q. Exhibit 4 discusses a liquid

233

1 the overhead.

2 Q. Okay. What does it mean to say,  
3 "We've set pricing to maintain or increase  
4 contribution to overhead"?

5 A. That in certain areas, we've  
6 tried to raise prices.

7 Q. And does that mean that ASR is  
8 looking to increase its margin?

9 A. In certain products.

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

234

- 1 [REDACTED]
- 2 [REDACTED]
- 3 [REDACTED]
- 4 [REDACTED]
- 5 [REDACTED]
- 6 [REDACTED]
- 7 [REDACTED]
- 8 [REDACTED]
- 9 [REDACTED]
- 10 [REDACTED]
- 11 [REDACTED]
- 12 [REDACTED]
- 13 [REDACTED]
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- 17 [REDACTED]
- 18 [REDACTED]
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- 22 [REDACTED]
- 23 [REDACTED]
- 24 [REDACTED]
- 25 [REDACTED]

235

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Q. Where did the information in  
Slide 9 come from?

A. I've already described the  
Imperial data, which is raw sugar arrival  
data. LSR is -- was a -- you know, they  
had a -- one, you can back into the math  
for LSR based on what was produced in the  
states and what was sold and melted by me  
and that possibly got shipped to CSC and  
then what was left.

So that's one way to look at LSR.  
But the more -- the easier way is to take  
their public announcements and -- and CSC  
sugar, that's probably on a website.

And L&S Sweeteners, we look at  
L&S Sweeteners and import data on Sucro  
Sourcing, U.S. Customs data, Canadian  
Customs data. American Crystals, that's an  
announcement. Zucarmex is an announcement,  
so on. The sugar loads we know.

236

1 Q. What did you mean "we look at  
2 L&S"?

3 A. We looked at buying them.

4 Q. What was involved in that  
5 process?

6 A. You know, due diligence, normal  
7 due diligence by our -- by our business  
8 development teams.

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 MR. YATES: Object to form.

23 [REDACTED]

24 BY MR. NIERLICH:

25 [REDACTED]

237

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Q. So Slide 10 is based on what CSC  
told you about CSC as opposed to some other  
analysis?

10

MR. YATES: Object to form.

11

THE WITNESS: Yes, sir.

12

BY MR. NIERLICH:

13

Q. And what is the hockey stick that  
you just referenced?

15

A. Massive growth.

16

Q. I'm sorry. What do you mean?

17

Whose massive growth?

18

A. Their own estimates for growth.

19

Q. Internal CSC estimates?

20

A. Yes.

21

22

23

24

25

238

1

[REDACTED]

2

[REDACTED]

3

MR. YATES: Object to form.

4

[REDACTED]

5

[REDACTED]

6

[REDACTED]

7

[REDACTED]

8

BY MR. NIERLICH:

9

[REDACTED]

10

[REDACTED]

11

A. I'm sorry. Which number?

12

Q. I'm sorry. Slide 29, please.

13

A. Yes.

14

Q. How do you -- or how does ASR

15

know which of these customers are now

16

purchasing from CSC?

17

A. Sosland feedback.

18

Q. So this is based on information

19

that ASR sales personnel obtained in the

20

field?

21

A. Yes.

22

[REDACTED]

23

[REDACTED]

24

[REDACTED]

25

[REDACTED]

239

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7

(Pause for reading/reviewing.)

8



9



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17



18

Q. Okay.

19

MR. NIERLICH: William, can you

20

put Exhibit 6 in the chat, please.

21

BY MR. NIERLICH:

22



23



24



25





240

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[REDACTED]

2

[REDACTED]

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[REDACTED]

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[REDACTED]

5

[REDACTED]

6

[REDACTED]

7

[REDACTED]

8

[REDACTED]

9

[REDACTED]

10

[REDACTED]

11

[REDACTED]

12

[REDACTED]

13

[REDACTED]

14

[REDACTED]

15

[REDACTED]

16

[REDACTED]

17

[REDACTED]

18

[REDACTED]

19

[REDACTED]

20

[REDACTED]

21

[REDACTED]

22

[REDACTED]

23

MR. YATES: Object to form.

24

[REDACTED]

25

[REDACTED]

241

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MR. NIERLICH: William, can you

23

put Exhibit 7 in the chat, please.

24

THE WITNESS: I'm sorry.

25

///

251

1 Sugar?

2 A. He's the president of -- he's the  
3 president of Michigan -- of Michigan Sugar.

4 Q. Did you ever gossip with him?

5 A. Yeah, two or three times a year.

6 Q. And what do you discuss?

7 A. The trade agreements, quotas. If  
8 I let him, he wants to talk about foreign  
9 trade zones for him. Golf. Likes.

10 MR. NIERLICH: William, can you  
11 upload Exhibit 18, please.

12 (Whereupon, Exhibit 18 is marked  
13 for identification.)

14 BY MR. NIERLICH:

15 Q. Mr. Olson, have you received  
16 Exhibit 18?

17 A. I'm downloading it. Sorry.

18 Yes, I see this.

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 [REDACTED]

25 [REDACTED]

252

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Q. And then two emails up, the top of the chain, is an email that you send the same day February 7, 2030, at 10:46 a.m.; is that right?

A. Yes.

Q. And it starts with, "Here's what I learned." Is that right?

A. Yes. Yep.

Q. Does this email indicate that you talked to Mr. Flegenheimer of Michigan Sugar during the morning of Friday, February 7, 2020?

A. Yes.

Q. Does the top email accurately

254

1 A. I've had conversations with Paul  
2 Farmer from CSC in my lifetime, my career.

3 Q. What's the most recent time that  
4 you talked with Paul Farmer of CSC?

5 A. Christmas pre-COVID.

6 Q. And what was the general subject  
7 matter of that conversation?

8 A. He wanted to sell his company to  
9 me.

10 Q. When you say Christmas pre-COVID,  
11 you're referring to late 2019?

12 A. Yeah. I think. It gets all so  
13 muddled the last two years.

14 MR. NIERLICH: William, can you  
15 upload Exhibit 19, please.

16 (Whereupon, Exhibit 19 is marked  
17 for identification.)

18 BY MR. NIERLICH:

19 Q. We're uploading --

20 MR. NIERLICH: I'll ask the court  
21 reporter to mark as Exhibit 19 a  
22 document starting with document control  
23 No. FCC-000030725.

24 BY MR. NIERLICH:

25 [REDACTED]

255

1

[REDACTED]

2

[REDACTED]

3

[REDACTED]

4

[REDACTED]

5

[REDACTED]

6

[REDACTED]

7

[REDACTED]

8

[REDACTED]

9

[REDACTED]

10

[REDACTED]

11

[REDACTED]

12

[REDACTED]

13

[REDACTED]

14

[REDACTED]

15

[REDACTED]

16

[REDACTED]

17

[REDACTED]

18

[REDACTED]

19

[REDACTED]

20

[REDACTED]

21

[REDACTED]

22

[REDACTED]

23

Q. Do you know whether any of the

24

information reflected in Exhibit 19 from

25

your lunch with Paul Farmer is not public

256

1 information?

2 MR. YATES: Object to form.

3 THE WITNESS: I don't know the  
4 answer to that, sir.

5 BY MR. NIERLICH:

6 Q. Did ASR and CSC execute any sort  
7 of nondisclosure agreement or other  
8 agreement in advance of this lunch?

9 A. After the fact. After this  
10 lunch.

11 Q. And that was an NDA or something  
12 else?

13 A. Yeah, it was -- I think it was an  
14 NDA.

15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]

22 Q. What, if anything, came out of  
23 your discussions with CSC?

24 A. I believe that we looked at his  
25 company. I was not involved in that from

257

1 this point on because of my other knowledge  
2 of the business.

3 Q. Do you know whether this was a  
4 serious interest by ASR or just an  
5 opportunity to try to get some information  
6 from CSC?

7 MR. PETKOSKI: Objection to form.

8 THE WITNESS: I believe that the  
9 interest was legitimate.

10 MR. NIERLICH: William, can you  
11 upload Exhibit 20, please.

12 (Whereupon, Exhibit 20 is marked  
13 for identification.)

14 [REDACTED]  
15 [REDACTED]  
16 [REDACTED]  
17 [REDACTED]  
18 [REDACTED]  
19 [REDACTED]  
20 [REDACTED]  
21 [REDACTED]  
22 [REDACTED]  
23 [REDACTED]  
24 [REDACTED]  
25 [REDACTED]



258

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[REDACTED]

[REDACTED]

Q. And if you scroll down, the bottom of the page, the first page, there's an email that you sent on January 2, 2019, at 12:30 p.m.

Do you see that?

A. Starting with "The LSR potential"?

Q. Yes.

And this is discussing companies that may be interested in acquiring CSC; is that right?

A. Yes, sir.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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Q. Is that, like, including Larry Fauchaux who you referred to earlier?

A. No. It would be their actual board of directors.

Q. That sentence continues the reference to Jim Simone. Is he one of their board of directors?

A. He's their lobbyist.

Q. Do you remember the names of any of the LSR board members you were trying to meet with?

A. Yes. Give me a sec. I'm tired.

I got to get back to you on that one I'm sorry.

Q. As you sit here today, you don't recall?

A. I don't recall --

Q. Okay.

A. -- names.

260

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[REDACTED]

MR. PETKOSKI: Objection to form.

261

1 MR. YATES: Objection.

2 MR. PETKOSKI: You can answer.

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 BY MR. NIERLICH:

16 [REDACTED]

17 [REDACTED]

18 [REDACTED]

19 [REDACTED]

20 [REDACTED]

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

24 Q. Who is Willie Smith?

25 A. Works for Amalgamated, and